

H.R. 3043 – Making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2008, and for other purposes

Executive Summary

The House is expected to consider H.R. 3043, the Department of Labor, Health and Human Services, and Education spending bill for FY2008, on July 17-19, 2007, under an open rule. H.R. 3043 provides \$607.4 billion in total spending for the Departments of Labor, Health and Human Services, Education, and Related Agencies, which is \$10.8 billion above the President's request. This is the largest of the annual spending bills. Of the appropriated \$607 billion, \$151.7 billion is for discretionary spending and \$455.7 billion is for mandatory spending. It also represents a 10.1% increase (more than \$61 billion) over non-emergency appropriations for FY2007.

Of the four Departments funded by H.R. 3043, the Department of Health and Human Services comprises the vast majority of the spending with \$477 billion for FY2008, an increase of \$55 billion above FY2007 and \$5 billion more than the President's request. Committee Republicans raised concerns with excessive spending on programs such as the \$420 million for the Corporation for Public Broadcasting, for which the President did not request any funding. Committee Republicans also took issue with duplicative funding where multiple federal agencies are receiving funds to perform the same functions in the areas of violence prevention and supporting employment, training, and business development opportunities for low-income residents in poor communities.

The bill contains 1,306 earmarks that total \$277.2 million.

The Democrats' overall 302(b) allocation levels for FY2008 represent an \$83 billion increase over the 2007 enacted budget levels. While Democrats defend this substantial increase by claiming domestic programs have been starved in recent years, the reality is that domestic discretionary spending has increased 40 % – or 12 % in real dollars – since 2001. The Administration has threatened to veto any appropriations bill with more funding than requested.

The Appropriations Committee approved the draft of the bill by voice vote on July 13, 2007.

Please note that a running list of amendments offered during floor debate will be available on our website.

Floor Situation

H.R. 3043 is being considered on the floor pursuant to an open rule. The rule:

- ➤ Provides one hour of general debate equally divided and controlled by the Chairman and Ranking Member of the Committee on Appropriations.
- ➤ Waives all points of order against consideration of the bill except for clauses 9 (earmarks) and 10 (PAYGO) of Rule XXI.
- ➤ During amendment consideration, the Chairman may give priority in recognition to Members who pre-printed his or her amendment(s).
- Waives points of order against provisions that fail to comply with clause 2 of rule XXI.

Note: This provision waives the House Rule that prohibits authorizing language in an appropriations bill. All Republican Ranking Members signed a letter in objection to this tactic.

- > Provides one motion to recommit with or without instructions.
- ➤ Provides that, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to a time designated by the Speaker.

The bill was introduced by Representative David Obey (D-WI) on July 13, 2007. The House Committee on Appropriations reported H.R. 2641 on July 13, 2007.

The bill is expected to be considered on the floor on July 17-19, 2007.

Summary

H.R. 3043 provides \$607.4 billion in total spending for the Departments of Labor, Health and Human Services, Education, and Related Agencies, which is \$10.8 billion above the President's request. Of the appropriated \$607.4 billion, \$151.7 billion is for discretionary spending and \$455.7 billion is for mandatory spending.

	FY 2008 Proposal	President's Request	FY 2007 Enacted
Total	\$607.4 billion	\$596.4 billion	\$545.9 billion
Dept of Labor	\$14.9 billion	\$13.9 billion	\$14.7 billion
Dept of Health and	\$477.4 billion	\$472.1 billion	\$422.2 billion
Human Services			
Dept of Education	\$63.0 billion	\$59.1 billion	\$60.3 billion
Related Agencies	\$52.7 billion	\$52.5 billion	\$48.8 billion

Title I – Department of Labor

The bill provides \$14.9 billion for the Department of Labor, which is \$949 million above the President's request and \$200 million above the FY2007 enacted level. Highlights include:

- ➤ Dislocated Worker Employment and Training Activities: The bill would fund this program at \$1.19 billion for workers that have been laid off and those about to be laid off to receive information and education. This is \$286.9 million above the President's request and equals the FY2007 level.
- ➤ Migrant and Seasonal Farmworkers: The bill would fund this program at \$83.7 million, which is \$4 million above the FY2007 level. The President did not request any funding for this program for the 5th year in a row.
- National Competitive Grant Programs: This funding would support the programs included in the Workforce Investment Act, which authorizes programs in support of the workforce system. Included in this funding would be \$68.7 million for the Reintegration of Ex-Offenders program.
- ➤ State Unemployment Insurance and Employment Service Operation: This program would be funded at \$3.4 billion, which is \$43.9 million over the President's request and \$42.3 million above the FY2007 enacted level. This program provides the funding for administrative grants and assistance to State agencies that manage Federal and State unemployment laws.
- > Special Benefits for Disabled Coal Miners: The bill would provide \$208.2 million for this program, which is the same as the President's request. These funds would be used to provide benefits to coal miners unable to work due to black lung disease and to certain dependents on a monthly basis.
- ➤ Mine Safety and Health Administration: This program would be funded at \$313.5 million, which is \$12 million more than FY2007 enacted level and equal to the President's request. This would provide for the retention of 170 inspector positions.
- ➤ Office of Job Corps: The bill would fund this program at \$1.6 billion, which is \$98 million above the President's request and \$42.6 million above the FY2007 enacted level. The Jobs Corps is a nationwide network of residential facilities chartered by Federal law to provide a comprehensive and intensive array of training, job placement, and support services to at-risk young adults.

<u>Title II – Department of Health and Human Services</u>

The bill provides \$477.4 billion for the Department of Health and Human Services, which is \$5.4 billion above the President's request and \$55.2 billion above the FY2007 enacted level. Highlights include:

- Access to Health Care for the Uninsured Initiative: This initiative would include 11 different programs (10 through the Department of HHS and 1 through the Department of Labor) and would be funded at \$6.4 billion.
- Pandemic Flu: This legislation would provide \$1.1 billion for the Department of Health and Human Services to protect against a potential flu pandemic. The President requested \$6.7 billion for this project on November of 2005 and Congress has twice provided funding, but \$1 billion remained unfunded. The bill also sets up a trust fund of \$5 million for any individuals that could be harmed by the H5N1 influenza vaccine.
- National Cord Blood Inventory Program: The bill would fund this program at \$4 million, which is \$2 million above the President's request and equal to the FY2007 enacted level.
- Family Planning: The program would be funded at \$310.9 million, which is \$27.8 million above the President's request and the FY2007 enacted level.
- ➤ Centers for Disease Control and Prevention: The CDC would be funded at \$6.5 billion, which is \$475.2 million more than the President's request and \$255.2 million above the FY2007 enacted level.
- National Institutes of Health: The bill would fund the NIH at \$29.3 billion, which is \$1 billion above the President's request and \$549 million above the FY2007 enacted level. The increase will go towards biomedical research supported by the NIH. The funding would also provide an increase of over 545 competing grants and support medical research.
- ➤ Centers for Medicare and Medicaid Services: The CMS would get \$141.6 billion for the mandatory Grants to States for Medicaid account. This is \$36.2 billion increase over the FY2007 enacted level. The Committee predicts that 50 million Americans will be enrolled in Medicaid during FY2008.
- ➤ Payments to Health Care Trust Funds: The bill would provide \$188.6 billion for this mandatory account, which supports Medicare Part B and prescription drug benefits. This funding would be the same as the President's request and \$12.3 billion more than the FY2007 enacted level.
- ➤ Low Income Home Energy Assistance: This program would be funded at \$2.7 billion, which is \$501 million more than the FY2007 enacted level.
- ➤ Children and Families Services Programs: The bill would provide \$9.1 billion for the program, which is \$187 million more than the FY2007 enacted level and \$887 million more than the President's request. This includes \$660 million for Community Services Block Grants and \$141 million for Abstinence Education.
- ➤ World Trade Center: The bill would provide \$50 million for treatment of World Trade Center responders. The \$50 million would be provided under the CDC's National

Institute for Occupational Safety and Health (NIOSH). The bill also requires the Director of NIOSH and the Secretary of Labor to establish a long-term, comprehensive Federal plan for monitoring, screening, analysis, and medical treatment for all individuals who were exposed to the toxins at the World Trade Center site.

<u>Title III – Department of Education</u>

The bill provides \$63.0 billion for the Department of Education, which is \$3.9 billion above the President's request and \$2.7 billion over the FY2007 enacted level. Highlights include:

- Reading First State Grants: This program would be funded at \$400 million, which is \$618 million less than the President's request and \$629 million less than the FY2007 enacted level. The majority indicates this decrease is in response to the Inspector General's report that the program has been mismanaged.
- ➤ Pell Grants: The bill would provide \$15.6 billion for Pell Grants, which is \$2.2 billion above the President's request and \$1.9 billion above the FY2007 enacted level. The maximum award for a Pell Grant would be set at \$4,700.
- No Child Left Behind Act: This program would be funded at \$25.7 billion, which is \$1 billion over the President's request and \$2 billion above the FY2007 enacted level.

Title IV – Related Agencies

The bill provides \$52.6 billion for related agencies. Highlights include:

- ➤ Corporation for Public Broadcasting: The bill would provide \$420 million in advanced funding for FY2010. This is \$20 million over the FY2009 level and the President did not request any funds. In addition to this appropriation, \$29.7 million is proposed for digital transition activities and \$26.8 million is proposed for replacing the National Public Radio interconnection system. The President proposed that both digital transition and interconnection be paid for out of the existing FY2008 advance appropriation.
- National Labor Relations Board: This legislation would provide \$257 million for the NLRB, which is \$750,000 above the President's request and \$5.5 million above the FY2007 enacted level. The bill directs \$525,000 for the training of new and existing employees.
- Social Security Administration: The bill would provide \$9.7 billion for funding, which is \$100 million above the President's request and \$401 million over the FY2007 enacted level.

Additional Information

Committee Report – H.R. 3043

Amendments Pre-Printed in the Congressional Record on July 16, 2007

(Please note that a running list of amendments offered during floor debate will also be available on our <u>website</u>.)

Rep. Conaway (R-TX): None of the funds made available this Act for the Low-Income Home Energy Assistance Program (LIHEAP) may be used while there continues in effect a Federal prohibition on the exploration, leasing, development, or production of oil or natural gas in the Arctic National Wildlife Refuge or the Outer Continental Shelf.

Rep. Conaway (R-TX): It is the sense of the House of Representatives that any reduction in the amount appropriated by this Act achieved as a result of amendments adopted by the House should be dedicated to deficit reduction.

Rep. Gingrey (**R-GA**): None of the funds appropriated by this Act may be used by the Commissioner of Social Security or the Social Security Administration to pay the compensation of employees of the Social Security Administration to administer Social Security benefit payments, under any agreement between the U.S. and Mexico establishing totalization arrangements between the social security system established by title II of the Social Security Act and the social security system of Mexico, which would not otherwise be payable but for such agreement.

Rep. Price (**R-GA**): Reduces appropriations in the bill by \$1,517,480,000.

Rep. Sessions (R-TX): Strikes section 111.

Rep. Jordan (**R-OH**): Reduces appropriations in the bill that are not required to be appropriated or otherwise made available by a provision of law by 4.6 percent.

Staff Contact

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